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SIPDIS

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STATE FOR SCA/CEN (M. O'MARA), SCA/RA (A.CUMMINGS)  
SECDEF FOR ATSD/NCB/CT/TR AND ASD/ISP/TSP/CP/CTR  
DTRA FOR BYRD

E.O. 12958: N/A  
TAGS: [PARM](#) [PREL](#) [KNNP](#) [KZ](#)  
SUBJECT: KAZAKHSTAN: PUSH CONTINUES ON CTR VAT ISSUE

REF: A. ASTANA 906 B. ASTANA 860

[¶1](#). (SBU) On April 10, the Ambassador met with Deputy Head of Presidential Administration Vladimir Shkolnik to urge his support in finding a solution to the value added tax issue threatening the Cooperative Threat Reduction (CTR) program in Kazakhstan. Shkolnik, a former Minister of Energy and Natural Resources and still an influential player on non-proliferation issues, expressed confidence that the VAT issue would be resolved and promised to do what he could to help. The Ambassador also sent letters to the Ministers of Finance, Health, Energy and Mineral Resources, and Foreign Affairs reiterating the need for concrete progress by April [¶15](#). DTRA is in close contact with the members of the tax committee, who have requested a number of documents prior to the next meeting of the VAT Commission on April 12.

[¶2](#). (SBU) Comment: Shkolnik joined the list of high-ranking figures, including the Prime Minister and the Minister of Finance, who have promised that the VAT issue will be resolved before DOD's April 15 deadline. Post remains hopeful that this high-level support will create the necessary momentum for a quick resolution from Kazakhstan's decision-shy bureaucracy. End comment  
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